

107TH CONGRESS
2D SESSION

H. R. 5674

To amend the Public Health Service Act to authorize formula grants to States to provide access to affordable health insurance for certain child care providers and staff, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2002

Mr. KENNEDY of Rhode Island introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Public Health Service Act to authorize formula grants to States to provide access to affordable health insurance for certain child care providers and staff, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Healthy Early Edu-
5 cation Workforce Act”.

1 **SEC. 2. BLOCK GRANTS REGARDING AFFORDABLE HEALTH**
2 **INSURANCE FOR CHILD CARE PROVIDERS.**

3 Title XIX of the Public Health Service Act is amend-
4 ed by adding at the end the following:

5 **“PART D—BLOCK GRANTS REGARDING AFFORD-**
6 **ABLE HEALTH INSURANCE FOR CHILD CARE**
7 **PROVIDERS**

8 **“SEC. 1981. FORMULA GRANTS TO STATES.**

9 “For the purpose described in section 1982(a), the
10 Secretary shall make an allotment each fiscal year for each
11 State that submits an application in accordance with sec-
12 tion 1983 in an amount determined in accordance with
13 section 1984.

14 **“SEC. 1982. FUNDING AGREEMENTS.**

15 “(a) PURPOSE.—A funding agreement for a grant
16 under section 1981 is that the State involved will expend
17 the grant only for the purpose of providing access to af-
18 fordable health benefits coverage for—

19 “(1) eligible child care providers and the staff
20 of center-based child care providers; and

21 “(2) at the discretion of the State involved, the
22 spouses, domestic partners, and dependents (as
23 those terms are defined by the State) of such pro-
24 viders and staff.

25 “(b) PERMISSIBLE ACTIVITIES.—A funding agree-
26 ment for a grant under section 1981 is that the State in-

1 involved, in carrying out the purpose described in subsection
 2 (a), may opt to use the grant for any of the following:

3 “(1) To reimburse an employer or individual
 4 described in subsection (a) for their share (or a por-
 5 tion thereof) of the premiums or other costs for cov-
 6 erage under group or individual health plans.

7 “(2) To offset the cost of enrolling individuals
 8 described in subsection (a) in public health benefits
 9 plans, such as the medicaid program under title XIX
 10 of the Social Security Act, the State Children’s
 11 Health Insurance Program under title XXI of such
 12 Act, or public employee health benefit plans.

13 “(3) To otherwise subsidize the cost of health
 14 benefits coverage for individuals described in sub-
 15 section (a).

16 “(c) LIMITING CRITERIA.—A funding agreement for
 17 a grant under section 1981 is that the State involved may
 18 establish criteria to limit the providers and staff described
 19 in subsection (a)(1) who may receive assistance under the
 20 grant.

21 “(d) PRIORITY.—A funding agreement for a grant
 22 under section 1981 is that the State involved will give—

23 “(1) highest priority to—

24 “(A) providers and staff described in sub-
 25 section (a)(1) that meet any applicable criteria

1 established in accordance with subsection (c)
2 and received assistance under such a grant dur-
3 ing the previous fiscal year; and

4 “(B) at the State’s discretion, the spouses,
5 domestic partners, and dependents of such pro-
6 viders and staff; and

7 “(2) second highest priority to—

8 “(A) providers and staff described in sub-
9 section (a)(1) that meet any applicable criteria
10 established in accordance with subsection (c)
11 and are accredited by the National Association
12 for the Education of Young Children or the Na-
13 tional Association for Family Child Care; and

14 “(B) at the State’s discretion, the spouses,
15 domestic partners, and dependents of such pro-
16 viders and staff.

17 “(e) MATCHING FUNDS.—

18 “(1) IN GENERAL.—With respect to the costs of
19 carrying out the purpose described in subsection (a),
20 a funding agreement for a grant under section 1981
21 is that the State involved will make available (di-
22 rectly or through donations from public or private
23 entities) non-Federal contributions toward such
24 costs in an amount that is not less than 50 percent
25 of such costs.

1 “(2) DETERMINATION OF AMOUNT CONTRIB-
2 UTED.—Non-Federal contributions under paragraph
3 (1) may be in cash or in kind, fairly evaluated, in-
4 cluding plant, equipment, or services. Amounts pro-
5 vided by the Federal Government, or services as-
6 sisted or subsidized to any significant extent by the
7 Federal Government, may not be included in deter-
8 mining the amount of such contributions.

9 **“SEC. 1983. APPLICATION.**

10 “For purposes of section 1981, an application for a
11 grant for a fiscal year is in accordance with this section
12 if—

13 “(1) the application is submitted at such time,
14 in such manner, and containing such information as
15 the Secretary may require;

16 “(2) the application contains each funding
17 agreement that is described in section 1982; and

18 “(3) with respect to each such funding agree-
19 ment, the application provides assurances of compli-
20 ance satisfactory to the Secretary.

21 **“SEC. 1984. DETERMINATION OF AMOUNT OF ALLOTMENT.**

22 “(a) AMOUNTS RESERVED.—

23 “(1) TERRITORIES AND POSSESSIONS.—The
24 Secretary shall reserve not to exceed one half of 1
25 percent of the amount appropriated pursuant to sec-

tion 1986 in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands to be allotted in accordance with their respective needs.

“(2) INDIAN TRIBES.—The Secretary shall reserve not less than 1 percent, and not more than 2 percent, of the amount appropriated pursuant to section 1986 in each fiscal year for payments to Indian tribes and tribal organizations, to be allotted in accordance with their respective needs.

“(b) STATE ALLOTMENT.—

“(1) GENERAL RULE.—From the remainder of amounts appropriated pursuant to section 1986 for each fiscal year after reservations under subsection (a), the Secretary shall allot to each State an amount equal to the sum of—

“(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage of the State bears to the sum of the corresponding products for all States; and

“(B) an amount that bears the same ratio to 50 percent of such remainder as the product

1 of the school lunch factor of the State and the
2 allotment percentage of the State bears to the
3 sum of the corresponding products for all
4 States.

5 “(2) YOUNG CHILD FACTOR.—The term ‘young
6 child factor’ means the ratio of the number of chil-
7 dren in the State under 5 years of age to the num-
8 ber of such children in all States as provided by the
9 most recent annual estimates of population in the
10 States by the Census Bureau of the Department of
11 Commerce.

12 “(3) SCHOOL LUNCH FACTOR.—The term
13 ‘school lunch factor’ means the ratio of the number
14 of children in the State who are receiving free or re-
15 duced price lunches under the school lunch program
16 established under the Richard B. Russell National
17 School Lunch Act to the number of such children in
18 all the States as determined annually by the Depart-
19 ment of Agriculture.

20 “(4) ALLOTMENT PERCENTAGE.—

21 “(A) IN GENERAL.—The allotment per-
22 centage for a State is determined by dividing
23 the per capita income of all individuals in the
24 United States, by the per capita income of all
25 individuals in the State.

1 “(B) LIMITATIONS.—If an allotment per-
2 centage determined under subparagraph (A)—

3 “(i) exceeds 1.2 percent, then the al-
4 lotment percentage of that State shall be
5 considered to be 1.2 percent; or

6 “(ii) is less than 0.8 percent, then the
7 allotment percentage of the State shall be
8 considered to be 0.8 percent.

9 “(C) PER CAPITA INCOME.—For purposes
10 of subparagraph (A), per capita income—

11 “(i) shall be determined at 2-year in-
12 tervals;

13 “(ii) shall be applied for the 2-year
14 period beginning on October 1 of the first
15 fiscal year beginning on the date such de-
16 termination is made; and

17 “(iii) shall be equal to the average of
18 the annual per capita incomes for the most
19 recent period of 3 consecutive years for
20 which satisfactory data are available from
21 the Department of Commerce at the time
22 such determination is made.

23 “(c) ALLOCATION OF EXCESS FUNDS.—To the ex-
24 tent that all the funds appropriated under section 1986
25 for a fiscal year and available for allotment in such fiscal

1 year are not otherwise allotted to States because 1 or more
2 States have not submitted an application in accordance
3 with section 1983 for the fiscal year, or because 1 or more
4 States have notified the Secretary that they do not intend
5 to use the full amount of their allotment, such excess shall
6 be allotted among each of the remaining States in propor-
7 tion to the amount otherwise allotted to such States for
8 the fiscal year without regard to this subsection.

9 **“SEC. 1985. DEFINITIONS.**

10 “In this part:

11 “(1) The term ‘eligible child care provider’
12 means a family child care provider or a center-based
13 child care provider (whether an entity or individual)
14 that is licensed under State law and meets all appli-
15 cable State and local health and safety requirements.

16 “(2) The term ‘family child care provider’
17 means an individual who provides child care services
18 for fewer than 24 hours per day, as the sole care-
19 giver, and in a private residence.

20 “(3) The terms “Indian tribe” and “tribal orga-
21 nization” have the same meaning given such terms
22 in section 4 of the Indian Self-Determination and
23 Education Assistance Act.

24 “(4)(A) Except for purposes of determining al-
25 lotments under subsections (a) and (b) of section

1 1984, the term ‘State’ means each of the several
2 States, the District of Columbia, Guam, American
3 Samoa, the Virgin Islands of the United States, the
4 Commonwealth of the Northern Mariana Islands,
5 and each Indian tribe or tribal organization.

6 “(B) For purposes of determining allotments
7 under subsections (a) and (b) of section 1984, the
8 term ‘State’ means each of the several States and
9 the District of Columbia.

10 **“SEC. 1986. AUTHORIZATION OF APPROPRIATIONS.**

11 “‘There are authorized to be appropriated to the Sec-
12 retary to carry out this part \$200,000,000 for fiscal year
13 2004, \$250,000,000 for fiscal year 2005, \$300,000,000
14 for fiscal year 2006, \$400,000,000 for fiscal year 2007,
15 and such sums as may be necessary for fiscal year 2008.’”.

16 **SEC. 3. EVALUATION OF BLOCK GRANT PROGRAM BY SEC-**
17 **RETARY.**

18 (a) EVALUATION.—The Secretary of Health and
19 Human Services shall conduct an evaluation of several
20 State programs carried out with grants under part D of
21 title XIX of the Public Health Service Act, representing
22 various approaches to raising the rate of child care work-
23 ers with health benefits coverage.

24 (b) ASSESSMENT OF IMPACTS.—In evaluating State
25 programs under subsection (a), the Secretary may con-

1 sider any information appropriate to measure the success
2 of the programs, and shall assess the impact of the pro-
3 grams on the following:

4 (1) The rate of child care workers with health
5 benefits coverage.

6 (2) The take-up rate by eligible child care pro-
7 viders.

8 (3) The turnover rate in the field.

9 (4) The average wages paid.

10 (c) REPORT.—Not later than 3 years after the date
11 of enactment of this Act, the Secretary of Health and
12 Human Services shall submit a report to the Congress on
13 the results of the evaluation conducted under subsection
14 (a), together with recommendations for strengthening pro-
15 grams carried out with grants under part D of title XIX
16 of the Public Health Service Act.

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